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SUBJECT: AFRO-ECUADORIAN HEARTLAND RIPE FOR POPULIST APPEAL

11. (SBU) Summary: The province of Esmeraldas is the largest of two centers of the minority Afro-Ecuadorian population. The province is also marked by high unemployment and underdevelopment, fueling populist electoral appeal. Since 2002, the Popular Democratic Movement (MPD), a Marxist populist political party, has held sway over the province. The presidential race, however, remains unclear. Populist candidate Alvaro Noboa's 2002 win in the province over Lucio Gutierrez suggests that Noboa, who may win Gutierrez' endorsement this time, might again capture considerable support. End Summary.

Background

- 12. (U) During a visit to the northern coastal province of Esmeraldas on June 28-30 PolOff met with municipal and provincial administrators, electoral officials, political party leaders, and civil society representatives to discuss preparations for the upcoming national elections. In public outreach events PolOff stressed the importance of voter responsibility and citizen participation in the electoral process, and highlighted USG investment in the region.
- 13. (U) Esmeraldas is located in the northwest portion of Ecuador and shares a border with Colombia and the Ecuadorian provinces of Carchi, Imbabura, Pichincha, and Manabi. The majority of the province's 400,000 residents are Afro-Ecuadorian. The region is a leader in the production of tobacco, coffee, cacao, and bananas. Seventy-six percent of the population lives in poverty, making it the poorest province in Ecuador. Few exporting industries are based there, and most of the region's raw natural materials are transported to other provinces for processing and shipped from Guayaquil or Manta.
- 14. (SBU) Esmeraldas' high incidence of poverty, unemployment, lack of viable industries, and Plan Colombia spillover impact make it a prime target for money laundering and narco-terrorist related activity, Mayor Estupinan told PolOff and AidOff on June 30. He expressed concern that the impoverished province is on the brink of developing a narcotics trade-based economy, and asked that the U.S. do more to help. Former Esmeraldas prefect and current congressional candidate Homero Lopez (PRE) and PSC Party provincial vice president Arturo Rodriguez agreed. Both expressed the need to develop Esmeraldas, port, and lamented the lack of support from the GOE. All agreed on the need for greater regional autonomy, calling the central government cumbersome, ineffective, and out of touch with socioeconomic realities in Esmeraldas.

- ¶5. (U) The Province of Esmeraldas has approximately 276,000 registered voters, representing 3 percent of the national electorate. Esmeraldas' extreme poverty and history of weak governance and corruption have made voters disaffected and open to populist appeal. In 2004, voters elected Lucia Sosa Robinson (MPD) Prefect, beating incumbent Homero Lopez Saud of Abdala Bucaram's PRE. Popular Esmeraldas Mayor Ernesto Estupinan Quintero (MPD) easily secured a second term in 2004 with 62 percent of the vote. PRIAN populist presidential hopeful Alvaro Noboa beat fellow populist Lucio Gutierrez, winning 60 percent of the votes in the second round of the presidential elections 2002.
- 16. (SBU) Estupinan is credited with cleaning up the provincial capital of Esmeraldas and claims to be fighting corruption. Esmeraldas' MPD party currently holds one of the province's four congressional seats, three of the seven provincial council seats, and eight of the eleven city council seats in the provincial capital. At the local level, they have been pragmatic, willing partners for USAID and other Embassy projects. At the national level, however, the MPD pushes an anti-American agenda with extreme leftist and populist tendencies. The MPD opposed the FTA, supported the GOE's decision to expel Occidental Petroleum, and has routinely called for the closure of the Manta FOL. The party also has complete control over Ecuador's teacher's union and the Ministry of Education.

Electoral Preparation Advances

- 17. (SBU) PolOff met with Esmeraldas Electoral Tribunal (TSE) Vice President Gary Espinoza in his office on June 29. Espinoza reported normal electoral preparation activity in his sector. He said that the Esmeraldas TSE plans to open 25 new polling stations in rural areas to help reduce voter absenteeism. Espinoza denied any significant electoral fraud, but said that the province had experienced large voter address changes in the 2004 local and provincial elections, forcing the national TSE to suspended address changes in the cities Atacames and Los Rios. He believes this to be more of a problem in mayoral and provincial races, where small changes could tip election results. Espinoza said that without regulatory change from Quito, there was little his office could do to combat fraudulent address changes.
- 18. (SBU) Espinoza claimed that the TSE's relationship with local NGO Citizen Participation's coordinator Piedad Ortiz is good, although Ortiz rarely contacts him. He also saw a need to introduce civic participation and voter responsibility material into the educational system. Espinoza asked for greater USG assistance in this area, as well as with training for TSE workers.
- 19. (SBU) Ortiz told Poloff and AidOff on June 30 that election preparations were progressing well, and that her office had already begun training local volunteer election monitors. She commended the TSE for establishing new polling stations, and confirmed a constructive working relationship between the two organizations. Ortiz said that 100 used ballots were discovered in the trash in the 2004 elections, and that her office had demanded an investigation, which was rebuffed. She also reported that Estupinan and Sosa often place political propaganda at completed public works projects, a violation of election rules. Ortiz said that she had filed repeated complaints, but nothing had come of them. The current MPD leadership often publicly criticizes Citizen Participation as "tool of the imperialists" (USG), she said.

Presidential Race Unclear

10. (SBU) Government officials, political insiders, and civil society leaders all claimed that it was too early to name a presidential front-runner in Esmeraldas. However, the

area's populist leanings and prior support for Alvaro Noboa suggests that he may again attract strong support, especially if he wins Gutierrez' endorsement. Others believe that Cynthia Viteri might also delivery a strong showing. Center-left candidate Leon Roldos, who is leading in national polls, appears to have little support in the province.

Outreach Activity

- 111. (U) Poloff on June 29 met with the NGO "Permanent Women's Forum" of Esmeraldas to show a HBO video on the life of Rosa Parks and to discuss participatory democracy. An active, attentive group of over 20 women, several men, and a local journalist attended the evening session. Poloff stressed the need to organize and actively participate in the electoral process to affect change. Participants asked what the U.S. was doing to help empower Afro-Ecuadorians and asked if the Embassy could help connect them with African-American organizations that might help with social and economic development. Poloff outlined USG initiatives aimed at supporting political participation and highlighted USG investments in potable water, sanitation, and other basic services. Audience members were very receptive, emphasizing the marginalization of the Afro-Ecuadorian population.
- 112. (SBU) PolOff on June 29 had an unexpected press conference with Esmeraldas Prefect Lucia Sosa. The event, initially scheduled as a private meeting with Sosa, quickly morphed into Sosa's own dog-and-pony show. PolOff was immediately bombarded by members of the press upon entering Sosa's office, and they remained throughout the 30-minute minute exchange. Sosa, sitting across from PolOff, but looking into the cameras, went on a Chavez-style rant about the impact of Plan Colombia on Esmeraldas and the need for the U.S. to do more. PolOff expressed continued U.S. support for Ecuador in the areas of security and development along the northern border, and highlighted investment in basic sanitation, potable water, and income generation projects.

Comment

113. (SBU) Election preparation in Esmeraldas appears to be moving forward relatively well given the region's financial and capacity limitations. Government officials, political party representatives, and civil society leaders agree that residents remain disillusioned by historic GOE neglect and corruption and weak governance at the municipal and provincial level. With the highest poverty levels in Ecuador, proximity to rebel-held territory in Colombia, and continued neglect from the central government, Esmeraldas is fertile ground for Colombian narco-terrorist influence and populist anti-American rhetoric, underscoring the need for USG and GOE engagement and investment in the province.